

7/10/2009 Moran Pushes Beef Exports

Moran Pushes Beef Exports

WASHINGTON, D.C. - Congressman Jerry Moran recently led a group of members of Congress to support cattle producers, beef processors and rural communities by recommending that the Administration adopt new strategies to recover lost beef export markets. Moran recommended that U.S. Trade Representative Ron Kirk and U.S. Secretary of Agriculture Tom Vilsack change negotiation strategies to allow a more flexible approach to achieving access for U.S. beef in foreign markets.

"Given our nation's current economic condition, now is the time that we need every possible market available for Kansas cattlemen" Moran said. "U.S. farmers and ranchers have experienced significant economic harm from unjustified trade restrictions and we need to identify new methods to open overseas markets. For instance, negotiating an agreement with Japan that will allow immediate access for beef from cattle less than 30 months of age, will mean an extra \$1 billion dollars in beef sales annually."

"We appreciate Rep. Moran's strong leadership in pushing for a new strategy in the ongoing efforts to restore U.S. beef access to Japan. Cattle producers are facing tough times, and regaining access to this critical market is one of the best things we can do to help jump-start revenues for the beef industry," said Gary Voogt, president, National Cattlemen's Beef Association (NCBA). "Japan's restrictions on U.S. beef have gone on for far too long, and have cost U.S. cattlemen nearly a billion dollars in lost export revenues each year. NCBA fully supports science-based trade standards and it's important that we continue to press for full World Organization for Animal Health (OIE) compliance with Japan and all of our trading partners. At the same time, we recognize the necessity in some cases of using a phased approach to increase market access over time, and we urge the administration to consider this strategy as they move forward in negotiations with Japan."

Since the discovery of bovine spongiform encephalopathy (BSE) in the United States in 2003, the beef industry has struggled to reclaim lost export markets. Specifically, Japan prohibited U.S. beef imports when a single case of BSE was found in a Canadian-born animal in the State of Washington. Japan prohibited U.S. beef imports until July 27, 2006, at which time Japan agreed to accept beef from cattle less than 21 months of age. Although beef sales to Japan reached \$383 million under this restriction in 2008, it is estimated that this is only 25 percent of the volume that could be shipped

under normal access conditions.

"Beef derived from cattle less than 30 months of age is an important benchmark because it would restore most of pre-BSE trade levels," Moran said. "While compliance with international guidelines established by the OIE is a necessary goal, the strategy on how to achieve that goal should be reconsidered. After five years of little gain under prior negotiating tactics, it is time to consider a different approach that provides immediate access for a majority of U.S. beef. From 2004 to 2007 BSE-related trade restrictions cost the U.S. beef industry approximately \$5.7 billion. Beef producers cannot afford to lose another \$6 billion over the next four years."

Over 90 percent of the pre-BSE Japanese market could be restored by achieving access for beef from cattle less than 30 months of age. Moran asked Ambassador Kirk and Secretary Vilsack to work toward agreements with Japan, China and Taiwan that recognize the science behind OIE guidelines on BSE and incorporate a flexible, staged OIE compliance schedule to allow the U.S. to break the stalemated negotiation process. Flexible agreements will also allow the U.S. to recognize the unique political and economic conditions in each country where access is sought.

Moran is a senior member of the House Agriculture Committee.

###